

APR 1 6 2007

Scott A. Hughes, Esq. Hughes Robbins, P.S. 2000 – 112th Avenue N.E. Bellevue, WA 98004

RE: MUR 5872

Hague for Congress

Dear Mr. Hughes:

On April 12, 2007, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. §§ 432(b)(3) and 439a(b), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") and 11 C.F.R. § 113.1(g). Accordingly, the file has been closed in this matter as it pertains to Jennifer Hildebrand.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) still apply, and that this matter is still open with respect to other respondents. The Commission will notify you when the entire file has been closed.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact me at (202) 694-1650.

Sincerely,

Kate Belinski Attorney

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Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Jennifer Hildebrand)) MUR 5872	001 FEB 2	REC FEDERAL COMM OFFICE OU COU
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	CONCILIATION AGREEMENT	==	RAL PRACT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Jennifer Hildebrand ("Respondent") knowingly and willingly violated 2 U.S.C. §§ 432(b)(3) and 439a(b), and 11 C.F.R. § 113.1(g) by commingling the funds of an authorized committee with personal funds and converting those funds to her personal use.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding.
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
 - III. Respondent enters voluntarily into this agreement with the Commission.
 - IV. The pertinent facts in this matter are as follows:
- 1. Hague for Congress ("the Committee") is a political committee within the meaning of 2 U.S.C. § 431(4) and is the principal campaign committee for Jane Hague, a candidate for the U.S. House of Representatives from Washington's 1st Congressional District.

- 2. Jennifer Hildebrand worked for the Committee from May 2003 to January 2005. Hildebrand did not have an official job title, but performed tasks that would customarily be performed by a campaign manager and bookkeeper. She was responsible for recording all checks that were paid out by the committee, and had authority to write checks on behalf of the Committee.
- 3. From October 13, 2003, through November 29, 2004, Hildebrand made unauthorized disbursements to herself totaling \$56,409.82 by writing approximately 50 checks payable to "Jennifer Hildebrand" and one check payable to a daycare provider.
- 4. Respondent Hildebrand deposited the embezzled funds into her personal bank account and used the funds toward personal and household expenses.
- 5. Respondent Hildebrand disguised the payments in the Committee's accounting records as disbursements for operating expenses and refunds to contributors.
 Hildebrand also provided false information regarding the disbursements to the accountant who filed the Committee's FEC Reports.
- 6. On January 17, 2005, Hildebrand informed the Committee that she had embezzled funds from the campaign.
- 7. Respondent Hildebrand has made full restitution to the Hague Committee in the amount of \$56,409.82 and has paid the Hague Committee an additional \$73,829.19 in attorneys' and auditors' fees.
- 8. In February 2006, in King County, Washington, Hildebrand pled guilty to one count of theft and was sentenced to 160 hours of community service.
- V. Respondent knowingly and willfully commingled Committee funds with personal funds in violation of 2 U.S.C. § 432(b)(3).

- VI. Respondent knowingly and willfully converted Committee funds to her personal use in violation of 2 U.S.C. § 439a(b).
- VII. Respondent Jennifer Hildebrand, through the submission of extensive financial documentation to the Commission and additional representations, has indicated that financial hardship prevents her from paying any civil penalty to the Commission. The Commission regards these submissions and representations as material representations. Due to the mitigating circumstances presented by Respondent Hildebrand's financial condition, the Commission agrees to depart substantially from the civil penalty that the Commission would normally seek for the violations at issue, and the Commission agrees that no civil penalty shall be immediately due. If evidence is uncovered indicating Respondent's current financial condition is not as stated, a civil penalty of One Hundred Thirteen Thousand Dollars (\$113,000) shall be immediately due, pursuant to 2 U.S.C. § 437g(a)(5)(B).
- VIII. Respondent will cease and desist from further violation of 2 U.S.C. § 432(b)(3) and § 439a(b).
- IX. Respondent is prohibited from working or volunteering in federal political campaigns in a capacity involving a committee's finances for a period of five years from the date of this Agreement.
- X. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

XI. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

XII. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIII. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

-Lawrence H. Norton-Thomssenia P. Duncan Acting General Counsel

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Rhonda J. Vosdángh

Associate General Counsel

for Enforcement

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FOR THE RESPONDENT:

W Hildubrand 2-15-07
Date